

# **BENNER TOWNSHIP WATER AUTHORITY**

## **REGULAR MEETING**

**June 15, 2021**

### **ATTENDANCE:**

**AUTHORITY MEMBERS PRESENT:** Thomas Eby  
Timothy Edkin  
James Lanning  
Jerrold May  
Andrew Swales

**OTHER ATTENDEES:** Warren Miller – SBWJA  
Kelly Gill – SBWJA  
Will Barton – SBWJA  
Brian Shura, P.E. – Stiffler McGraw  
See Attached Guest List

### **CALL TO ORDER:**

The June 15, 2021, Regular Meeting of the Benner Township Water Authority was called to order at 6:35 P.M. by Tom Eby, Chairman.

### **ROLL CALL:**

Timothy Edkin, Secretary, took Roll Call, recording four members present. Mr. Swales entered the meeting at 6:40 p.m. Mr. Eby, Chairman, noted that with a quorum present, the Benner Township Water Authority was permitted to conduct business under the laws of Pennsylvania.

### **APPROVAL OF MEETING MINUTES:**

The Minutes of the May 18, 2021 regular meeting were presented for review. Mr. Eby asked if there were any comments or changes to the meeting minutes. **Mr. Eby moved, seconded by Mr. May to approve the Minutes of the May 18, 2021 Regular Meeting as presented.** 4 ayes, 0 nays, 1 absent. **The motion carried.**

**TREASURER'S REPORT:**

Mr. May reviewed the Treasurer's Report as presented and asked the Board if there were any questions regarding the Paid Checks or Bills by Vendor submitted for approval.

**Mr. Eby moved, seconded by Mr. Edkin to approve the Treasurer's Report as presented, the Paid Checks in the amount of \$912.00 and Bills by Vendor in the amount of \$4,020.32. 4 ayes, 0 nays, 1 absent. The motion carried.**

**SBWJA REPORT:**

**May 2021 System Overview** – Mr. Barton provided an overview of the work completed for the Benner Township Water Authority for the month of May.

**System Maintenance** – The maintenance department verified the private well at 258 Edward Drive was properly disconnected when the customer connected to the public water system. The chlorine feed system within the Hampton Hills well house was repaired.

**Analytical Testing** – The monthly bacteria samples, triennial SOC and IOC samples and annual Atrazine samples were obtained for both systems in May.

**Call Outs/ PA One Calls** – There were five PA One Calls located in the month of May.

**Mr. Swales entered the meeting at 6:40 p.m.**

**Hampton Hills Water Storage Tank Repairs** – Mr. Miller informed the Board that yesterday the PA DEP issued the public water supply permit to complete the repairs to the Hampton Hills water storage tank. Upon completion of the construction of the tank rehabilitation, a certificate of construction will have to be signed by the Authority and submitted to the PA DEP along with a fee of \$50.00. The PA DEP will then issue a permit authorizing operation of the Hampton Hills water storage tank after it's determined the rehabilitation of the tank complied with the specifications provided as part of the permit application process. Mr. Miller reminded Mr. Barton that he will need to ensure the contractor complies with ANSI/NSF standards with all parts/equipment used during this project.

The contractor completing the tank repairs has indicated he anticipates starting the rehabilitation work in approximately 3 weeks.

Mr. Eby asked if/when the customers will be notified about the water storage tank repairs. Mrs. Gill stated that a notice will be hand delivered to each affected customer a few days in advance of the scheduled work asking each customer to conserve water during the time of the repairs and also letting them know that fire protection will not be available during that time. The fire hydrants will also be bagged.

**2020 Annual Water Quality Report (BTWA)** – The annual Consumer Confidence Report (CCR) was completed and distributed to each of the water system customers on June 9, 2021. There were no testing or reporting violations for the 2020 calendar year.

**SOLICITOR'S REPORT:** Mr. Campbell was absent from the meeting.

**ENGINEER'S REPORT:**

**New Source Development** – Following the last meeting Mr. Shura sent an email to all Board Members and SBWJA contracted staff that summarized the steps necessary to move forward with developing the new water source on the Szeyller property along Raymonds Lane. Those steps include:

1. Obtain right-of-way access to the property to drill a test well.
2. Interim financing will need secured to fund all expenses until PENNVEST financing can be obtained.
3. Construction of test well which could require some site work to provide access for the drill rig. This would involve preparing specifications and drilling contractors will be required to submit pricing.
4. Upon constructing the test well, preliminary pump testing and sampling will be performed to determine feasibility of the well location and to design construction of the production well. (Hydrogeologist will oversee this process)
5. If results are favorable following preliminary pump testing and water quality sampling the Authority will enter into negotiations to purchase the property around the well sufficient to control the entire well head protection area.
6. Prior to constructing the production well, a pre-drilling and aquifer testing plan will be prepared and submitted to the PA DEP for approval (completed by Hydrogeologist).
7. Following approval of the pre-drilling plan by PA DEP, the production well will be constructed. This will likely require the use of area residential wells for monitoring drawdown. Bid documents and specifications will be prepared and quotes will be solicited from well drillers. If the quotes exceed the bid threshold, the production well construction will need to be bid. (Hydrogeologist will oversee this process with assistance from Stiffler McGraw).

8. Upon construction of the production well, a temporary pump will be installed and the aquifer pump testing and new source sampling will be performed. (Hydrogeologist will oversee this process)
9. Following successful construction of the production well, testing and sampling, design will be performed for the raw water transmission main from the new production well to the existing disinfection facility, production well pump and controls, and plumbing modifications in the existing disinfection facility. Design will also include the remaining well development, including installation of a pit less adaptor, installation of well pump and drop pipe, installation of well instrumentation and construction of electrical service and pump controls. A meter will need installed in a vault at the well site to record raw water flow totals.
10. Following preliminary design and during final design, a Public Water Supply (PWS) Construction permit application will be submitted to the PA DEP for approval of all proposed improvements as well as the construction of the new production well. The hydrogeologic report will be prepared by the Hydrogeologist and submitted to the PA DEP as part of the permit application.
11. Following completion of design and receipt of all permits, the application will be submitted to PENNVEST for funding the construction. A PENNVEST consultation meeting will need to be held prior to applying for funding.
12. Once a funding offer is secured and accepted by the Authority the project will be placed out for bid.
13. Upon opening bids and selecting a contractor, the construction cost will be submitted to the funding agency throughout construction.
14. The Notice to Proceed will be issued to begin construction immediately after the funding package has been closed. Interim payments through construction will be submitted to the funding agency throughout construction.
15. Following construction, a certificate of construction will be submitted to PA DEP. PA DEP will perform an inspection and a PWS operations permit for the improvements will be obtained.
16. Once construction is complete and the system is in operation, the funding will be closed and amortization will begin.

Mr. Shura indicated Stiffler McGraw will present an engineering services agreement for their part in this process. McCamley Hydrogeology will also be forwarding an updated proposal and scope for their part in this process.

Discussion was held about the Board authorizing McCamley Hydrogeology to proceed with Task 2 (Preparation and Submission of Pre-Drilling Plan) and Task 3 (Preparation of technical specifications) at the last meeting. McCamley Hydrogeology has indicated in an email that he and Mr. Shura recommend drilling and evaluating a test well prior to production well drilling and further agree that our Authority can drill a test well prior to submitting a pre-drilling plan to the PA DEP. As a result, McCamley Hydrogeology has revised Tasks 2 through 4 of its June 16, 2018 proposal to reflect the following:

Task 2 – Preparation of Technical Specifications

Task 3 – Test Well Drilling, Geologic Log Preparation, Preliminary Pumping Test and Water Quality Sampling

Task 4 – Pre-Drilling Plan

Mr. Swales indicated he believes McCamley Hydrogeology should be authorized to proceed with the test well drilling as well. **Mr. Swales moved, seconded by Mr. Eby to authorize McCamley Hydrogeology to proceed with the drilling of the test well for the New Source Development. 5 ayes, 0 nays. The motion carried.**

**GUESTS:** There were no Guests present for the meeting.

**CORRESPONDENCE:** There was no correspondence presented for discussion.

**OLD BUSINESS:**

**Interim Financing of New Source Development** – The Request for Proposals for the interim financing of the new source development were sent on May 21, 2021 and the deadline was 3:00 p.m. on June 10, 2021. Mrs. Gill informed the Board that during the process it was brought to her attention that IRS tax laws limit us to a 36-month tax exempt line of credit. If we want to extend the term further, it would have to be a taxable line of credit; therefore, a request was made for each banking institution to provide both a tax exempt and taxable rate for the line of credit.

The Authority received four banking proposals. Three of the four proposals were variable rates and included fees for bank origination costs and/or closing costs. The remaining proposal included a fixed rate, with no bank fees, but the costs of the Authority's professionals (Note Counsel) shall be paid by the Authority.

Both Mr. Miller and Mrs. Gill recommended the Authority accept the proposal provided by Jersey Shore State Bank (JSSB) for a tax-free fixed rate of 1.45%. Mr. Edkin inquired about the closing costs since the proposal didn't specify who handled those costs. Mrs. Gill stated she believes that the Authority's solicitor will be preparing all closing documents since most of the proposals stated the Authority's legal counsel will prepare all necessary loan documentation with the bank's approval, but she will confirm this with JSSB. Discussion was then held about when the 36-month term would commence. Mrs. Gill stated she would confirm this with JSSB as well and report back to the Board. **Mr. Eby moved, seconded by Mr. Lanning to accept the proposal provided from Jersey Shore State Bank for a 36-month tax exempt Line of Credit at a fixed rate of 1.45%. 5 ayes, 0 nays. The motion carried.**

#### **NEW BUSINESS:**

**2020 Audit** - Baker Tilly Virchow Krause, LLC has provided the Board with a draft copy our 2020 audit for review. Mrs. Gill indicated she was asked to provide the auditor with complete access to our accounting software remotely along with back-up documentation electronically due to COVID-19.

Mrs. Gill provided the overview of the financial statements with the Board. She indicated that the Authority's current assets consist of \$258,225 which is a slight increase from 2019.

Mrs. Gill reported the Authority's total operating revenues decreased slightly from \$115,584 in 2019 to \$115,275 in 2020. Mrs. Gill noted the operating expenses also decreased from \$144,948 in 2019 to \$128,141 in 2020 for an operating loss of \$12,866 (including depreciation). The overall net position decreased from \$1,431,629 in 2019 to \$1,387,108 in 2020.

Mrs. Gill stated that the 2020 audited financial statements include the Management's Discussion and Analysis that accounting principles generally require. This was not included in previous audits of this Authority.

Mr. Edkin indicated the 2020 audit doesn't include the Auditor's Management Discussion letter that typically accompanies an audit. Mrs. Gill stated she would check with the auditor, but believes it's not typically provided until after the audit is approved.

Discussion was held about the audit needing to be filed with the PA DCED by June 30, 2021. **Mr. Edkin moved, seconded by Mr. May to approve the 2020 audited financial statements as presented. 5 ayes, 0 nays. The motion carried.**

**ACTION ITEMS:**

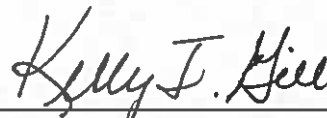
1. Brian Shura to contact McCamley Hydrogeology about proceeding with drilling the test well.
2. Mrs. Gill to check with Jersey Shore State Bank about the closing costs and when the 36-month term commences.
3. Mrs. Gill to check with auditor about the status of their management letter in connection with the 2020 audit.
4. Mr. Miller to make contact with the Szeyller Family to provide an update on the project and to discuss a plan for finalizing the agreement.
5. Mr. Lanning asked Mr. Miller to check the status of the PFAS class action suit.
6. Key Points of BTWA 06/15/2021 meeting to be submitted to Benner Township Supervisors.
  - a. The PA DEP has issued a Public Water Supply permit for the repairs to the Hampton Hills water storage tank. The contractor is proposing to complete the work in approximately 3 weeks.
  - b. The Authority has received four proposals for the interim financing of the new source development and has accepted the proposal submitted by Jersey Shore State Bank for a 36-month line of credit at a tax-free fixed rate of 1.45%.
  - c. The Authority authorized McCamley Hydrogeology to proceed with the preparation of technical specifications for the new water source and complete the drilling of the test well. Once the technical specs are prepared, quotes will be obtained from well drillers.
  - d. The BTWA has approved the 2020 audited financial statements so they can be filed by the auditor with the PA DCED.

**Next regular scheduled meeting is July 20<sup>th</sup> at 6:30 p.m.**

**ADJOURNMENT:**

**Mr. Edkin moved, seconded by Mr. Eby to adjourn the meeting at 8:04 p.m. 5 ayes, 0 nays. The motion carried.**

Respectfully submitted,



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Kelly J. Gill, Recording Secretary

CC: Benner Township 7/22/2021

**BENNER TOWNSHIP WATER AUTHORITY**  
**1224 BUFFALO RUN ROAD**  
**BELLEFONTE, PA 16823**  
**(814) 355-4778**

**REGULAR MEETING**  
**June 15, 2021**

**GUEST LIST**

1. None present
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